

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01816A
Spanish Trail Water Co.
2200 E. River Rd., Suite 115
Tucson, AZ 85718

RECEIVED
ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2010
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FOR COMMISSION USE

ANN 04	10
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4-4-11

COMPANY INFORMATION

Company Name (Business Name) Spanish Trail Water Company

Mailing Address 4572 E. Camp Lowell Drive
(Street)

Tucson
(City)

AZ
(State)

85712
(Zip)

(520) 577-2616

Telephone No. (Include Area Code)

(520) 319-6560

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address ddavis@camplowell.com

Local Office Mailing Address 2200 E. River Road, Suite 115
(Street)

Tucson
(City)

AZ
(State)

85718
(Zip)

(520) 577-2616

Local Office Telephone No. (Include Area Code)

(520) 299-5602

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

☐ **Regulatory Contact:**

☒ **Management Contact:** Diane Davis Manager
(Name) (Title)

4572 East Camp Lowell Drive
(Street)

Tucson
(City)

AZ
(State)

85712
(Zip)

(520) 577-2616

Telephone No. (Include Area Code)

(520) 319-6560

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address ddavis@camplowell.com

On Site Manager: Chris Monson
(Name)

4572 East Camp Lowell Dri
(Street)

Tucson
(City)

AZ
(State)

85712
(Zip)

(520) 577-2616

Telephone No. (Include Area Code)

(520) 319-6560

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Chad Kolodisner

(Name)

2200 East River Road, Suite 115

(Street)

Tucson

(City)

AZ

(State)

85718

(Zip)

(520) 577-0200

Telephone No. (Include Area Code)

(520) 299-5602

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: Michael McNulty

(Name)

One South Church Ave, #700

(Street)

Tucson

(City)

AZ

(State)

85701

(Zip)

(520) 629-445

Telephone No. (Include Area Code)

(520) 879-4732

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☒ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☒ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	3,394	1,615	1,779
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	1,594	1,594	0
307	Wells and Springs	133,626	67,944	65,682
311	Pumping Equipment	70,377	70,377	0
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	96,928	26,577	70,351
331	Transmission and Distribution Mains	462,083	330,444	131,639
333	Services	23,532	20,102	3,430
334	Meters and Meter Installations	61,992	29,453	32,539
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	853,526	548,106	305,420

This amount goes on the Balance Sheet Acct. No. 108



CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)*	Depreciation Expense (1x2)
301	Organization	3,394	0.00%	0.00
302	Franchises		0.00%	
303	Land and Land Rights		0.00%	
304	Structures and Improvements	1,594	5.00%	0.00
307	Wells and Springs	133,626	5.00%	6,681
311	Pumping Equipment	70,377	5.00%	2,162
320	Water Treatment Equipment		5.00%	
330	Distribution Reservoirs and Standpipes	96,928	5.00%	4,020
331	Transmission and Distribution Mains	462,083	5.00%	23,104
333	Services	23,532	5.00%	1,177
334	Meters and Meter Installations	61,992	5.00%	2,984
335	Hydrants		5.00%	
336	Backflow Prevention Devices		5.00%	
339	Other Plant and Misc. Equipment		5.00%	
340	Office Furniture and Equipment		5.00%	
341	Transportation Equipment		5.00%	
343	Tools, Shop and Garage Equipment		5.00%	
344	Laboratory Equipment		5.00%	
345	Power Operated Equipment		5.00%	
346	Communication Equipment		5.00%	
347	Miscellaneous Equipment		5.00%	
348	Other Tangible Plant		5.00%	
	TOTALS	853,526		40,128

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

*½ year convention on depreciation (½ year depreciation on new assets, ½ year on retirements)

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$58,364	\$125,383
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	3,720	3,073
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$62,084	\$128,456
	OTHER PROPERTY / INVESTMENTS		
125	Other Investments	\$102,000	\$0
	TOTAL OTHER PROPERTY / INVESTMENTS	\$102,000	\$0
	FIXED ASSETS		
101	Utility Plant in Service	\$848,909	\$853,526
103	Property Held for Future Use	12,000	12,000
105	Construction Work in Progress	236,271	236,271
108	Accumulated Depreciation – Utility Plant	(507,978)	(548,106)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$589,202	\$553,691
	TOTAL ASSETS	\$753,286	\$682,147

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable		
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	\$212,416	\$257,459
235	Customer Deposits	35,700	25,300
236	Accrued Taxes	4,855	4,871
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$252,971	\$287,630
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds		
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	\$292,991	\$289,766
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$292,911	\$289,766
	TOTAL LIABILITIES	\$545,962	\$577,396
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$1,000	\$1,000
211	Paid in Capital in Excess of Par Value	3,615,222	3,615,222
215	Retained Earnings	(3,408,898)	(3,511,471)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$207,324	\$104,751
	TOTAL LIABILITIES AND CAPITAL	\$753,286	\$682,147

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$145,331	\$146,424
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$145,331	\$146,424
	OPERATING EXPENSES		
601	Salaries and Wages		
610	Purchased Water	\$43,946	\$45,042
615	Purchased Power	15,677	14,985
618	Chemicals		
620	Repairs and Maintenance	2,323	4,961
621	Office Supplies and Expense	128	2,112
630	Outside Services	102,875	54,406
635	Water Testing		1,286
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	8,232	7,011
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	5,136	4,531
403	Depreciation Expense	41,305	40,128
408	Taxes Other Than Income	67,193	66,241
408.11	Property Taxes	8,511	8,294
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$295,326	\$248,997
	OPERATING INCOME/(LOSS)	\$(149,995)	\$(102,573)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$0	\$0
	NET INCOME/(LOSS)	\$(149,995)	\$(102,573)

COMPANY NAME: Spanish Trail Water Company

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$24,325

Meter Deposits Refunded During the Test Year

\$4,315

COMPANY NAME: Spanish Trail Water Company	
Name of System: Spanish Trail Water Company	ADEQ Public Water System Number: 10127

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-622249	5	50		8	2	
55-622256	40	400		12	4	
55-536560	20	305		12	6	1993

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
25	2	27	
7.5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	1	1,000	1
10,000	1	2,000	1
		3,000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Spanish Trail Water Company	
Name of System: Spanish Trail Water Company	ADEQ Public Water System Number: 10127

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC/AC	12,910
5		
6	AC	31,520
8	PVC	11,950
10		
12	C900PVC	6,200

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	374
3/4	20
1	11
1 1/2	
2	3
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Spanish Trail Water Company		
Name of System: Spanish Trail Water Company	ADEQ Public Water System Number: 10127	

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	399	3,466	2,500	789
FEBRUARY	402	2,075	1,929	496
MARCH	400	3,636	2,950	835
APRIL	399	4,029	4,016	729
MAY	400	4,337	4,356	225
JUNE	400	7,071	5,048	1,281
JULY	400	4,902	5,047	891
AUGUST	400	5,298	4,049	966
SEPTEMBER	389	4,637	4,646	829
OCTOBER	400	4,264	3,949	761
NOVEMBER	400	4,097	3,791	779
DECEMBER	399	4,075	2,910	856
TOTALS →		51,887	45,191	9,437

What is the level of arsenic for each well on your system? York Well < 0.0001 mg/l
(If more than one well, please list each separately.) Barn Well < 0.0001 mg/l
Rocking K Well < 0.0001 mg/l

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 8 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☐ Yes ☒ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☒ Yes ☐ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: Spanish Trail Water Company		
Name of System:	Spanish Trail Water Company	ADEQ Public Water System Number: 10127

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		2	
FEBRUARY		2	
MARCH		2	
APRIL		1	
MAY			
JUNE			
JULY			
AUGUST		1	
SEPTEMBER		1	
OCTOBER		2	
NOVEMBER		1	
DECEMBER		1	
TOTALS →		13	

OTHER (description):

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2010 was: \$ 8,401

Attach to this annual report proof (e.g. property tax bills stamped “paid in full” or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
Pima
NAME (OWNER OR OFFICIAL) TITLE
Chris Monson, President
COMPANY NAME
Spanish Trail Water Company

RECEIVED
ACCUPLITIES DIRECTOR

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

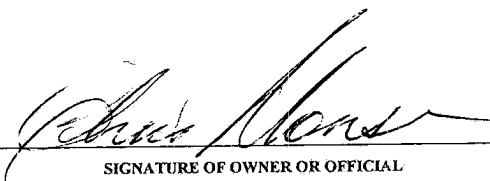
MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.


SIGNATURE OF OWNER OR OFFICIAL
(520) 577-2616
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

30

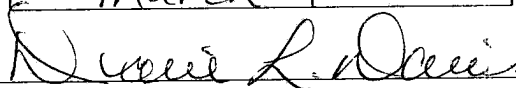
DAY OF

(SEAL)

MY COMMISSION EXPIRES

3/19/2014

COUNTY NAME	<u>Pima</u>
MONTH	<u>March</u>
	<u>2011</u>


SIGNATURE OF NOTARY PUBLIC



COMPANY NAME Spanish Trail Water Company YEAR ENDING 12/31/2010

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>0</u>
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	<u>0</u>
Estimated or Actual State Tax Liability	<u>0</u>


Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

3/30/2011
DATE

Chris Manson
PRINTED NAME

President
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
Pima
NAME (OWNER OR OFFICIAL) TITLE
Chris Monson, President
COMPANY NAME
Spanish Trail Water Company

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 146,424

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 9,365
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

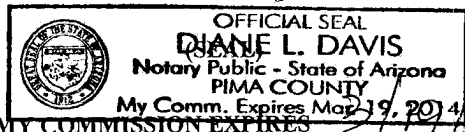

SIGNATURE OF OWNER OR OFFICIAL
(520) 577-2616
TELEPHONE NUMBER

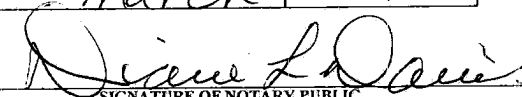
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30 **DAY OF**

COUNTY NAME	<u>Pima</u>
MONTH	<u>March</u> 20 <u>11</u>




SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 5/19/2014

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

RECEIVED
ACCUTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	
NAME (OWNER OR OFFICIAL)	TITLE
COMPANY NAME	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

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SWORN STATEMENT

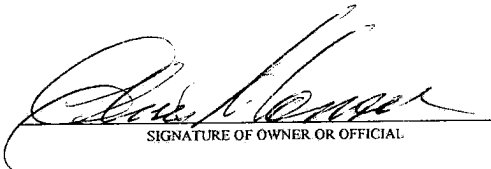
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 141,331

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 9,039
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL
(520) 577-2616
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

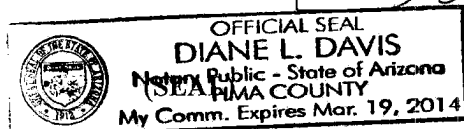
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

30

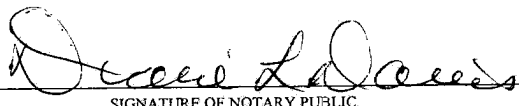
DAY OF

NOTARY PUBLIC NAME <u>Diane L. Davis</u>	
COUNTY NAME <u>Pima</u>	
MONTH <u>March</u>	<u>2011</u>



MY COMMISSION EXPIRES

3/19/2014


SIGNATURE OF NOTARY PUBLIC